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Hon. Ron Wyden
U.S. Senate
221 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Wyden:

I write in response to your January 17, 2019 letter to Hans Vestberg, Chief Executive Officer of Verizon. Verizon works hard to protect the privacy and security of our subscribers. Last year, in our letter to you, we committed to terminate our location aggregator program. Verizon followed through on our commitment to terminate these agreements. As of the end of November 2018, Verizon terminated its location agreement with one aggregator (Zumigo) and had terminated almost all access to location information by the corporate customers of the other aggregator in the program (LocationSmart). The only exception is that we have maintained the prior arrangement with LocationSmart for four companies for the narrow use of providing roadside assistance during the winter months for public safety reasons, but those remaining entities all have agreed to transition out of the existing arrangements by the end of March 2019.

Verizon was not implicated in the Motherboard article that you reference in your letter. As you know, Motherboard claimed that its reporter successfully hired a bounty hunter to find the location of a particular individual. In that particular instance, the article states that T-Mobile provided its wireless subscriber's location information to Zumigo; Zumigo then provided it to Microbilt; Microbilt then provided it to a bail bond company; the bail bond company provided it to the so-called bounty hunter; and the bounty hunter then provided it to the reporter. The article claimed that AT&T and Sprint had similar arrangements that would allow this type of location sharing. Verizon terminated its location aggregator agreement with Zumigo (the aggregator involved in the Microbilt situation with other carriers) at the end of November 2018 and therefore the reporter could not have obtained location information about Verizon's subscribers in this way. In addition, Verizon did not authorize Microbilt as an approved commercial customer of Zumigo under which it could obtain Verizon wireless subscriber location information.

Today, Verizon offers a direct location-based service¹ to corporate customers, under

¹ Verizon refers to this new location-based service as its "Direct Location Service."

which they may obtain and use wireless subscriber location information for specific purposes such as roadside assistance, fraud detection, and logistics and dispatch.² Under this new service, Verizon itself obtains the affirmative direct opt-in consent of its wireless subscribers, on behalf of the corporate customer, in order to share the wireless subscriber's location information with a particular corporate customer's service. Specifically, when a Verizon wireless subscriber engages with a Verizon corporate customer's service and agrees to share his or her location with that corporate customer, that corporate customer then requests the location from Verizon. And Verizon then sends that wireless subscriber a text message, on behalf of their corporate customer, asking if his or her location may be shared with the corporate customer. This text message identifies the party requesting the wireless subscriber's location information and the limited period of time (up to 30 days), if applicable, for which the consent will be valid.³ If the wireless subscriber responds affirmatively and agrees to share his or her location, Verizon will share the location information with the requesting corporate customer. If the wireless subscriber responds negatively or if no response is given, Verizon will not share the wireless subscriber's location information. Verizon also sends a confirmation message to wireless subscribers once they have opted in and that message describes how they can withdraw consent if the consent is valid for longer than one-time. Under Verizon's new Direct Location Services, no one can gain access to Verizon's wireless subscriber location information without the wireless subscriber's consent because we send a text message directly to the wireless subscriber asking for consent to the sharing of their location information. Further, location sharing is transactional; the corporate customer must request location each time. Verizon, neither under the legacy aggregator program nor under the new Direct Location Service, does not provide general access to location data in bulk, at numerous historical points in time, or in a persistent manner.

The answers to your specific questions are below. Our responses are limited to the location aggregator program that Verizon has largely terminated and our new direct location services program.

- 1. Please identify the third parties with which your company shares or has shared customer information, including location data, at any time during the past five years. For each third party with which you share information directly, please also include a list of the ultimate end users of that information, as well as all intermediaries.**

Verizon previously contracted with location aggregators, LocationSmart⁴ and Zumigo, that offered services that allowed individual mobile phone users to share their location with specific businesses for specific purposes. Verizon authorized these location aggregators to facilitate access to Verizon subscriber location information only after the corporate customer had obtained the affirmative opt-in consent of the wireless subscriber. The location aggregators collectively provided these services to approximately 75 corporate customers.

² Location used in Verizon's Direct Location Service is limited to coarse (rather than precise) location information.

³ If the consent is valid only for one-time access, the timeframe is not listed.

⁴ Verizon also previously had an agreement with Locaid, who was acquired by LocationSmart in 2016.

Verizon notified LocationSmart and Zumigo in June 2018 that it was terminating its relationship with them as a location aggregator. Verizon terminated Zumigo's⁵ and LocationSmart's access to location information for almost all of their corporate customers at the end of November 2018. The only exception is that we temporarily have maintained the prior arrangement with LocationSmart for four roadside assistance companies during the winter months for public safety reasons. These companies asked Verizon for more time because they needed that time to transition off of their existing arrangements and services. They have all agreed to transition out of the existing arrangements through LocationSmart by the end of March 2019.

Verizon currently shares personally identifiable location information with eight companies through its Direct Location Services program, only after we obtain the text message consent of our wireless subscribers for the sharing of the information.

2. For each of the third parties identified in response to question one, please detail the types of customer information provided to them and the number of customers whose information was shared. For each of these, please detail whether the third party provided proof of customer consent, and if so, how the third party demonstrated that they had obtained customer consent.

The location aggregators Verizon contracted with had access only to location information through the legacy location aggregator program. The location information they received included the approximate latitude and longitude of the subscriber's mobile phone, as well as the error radius and other error information for location queries, and the date and time stamp for the location transaction. While the location aggregator program generally offered coarse location information, a small percentage of the location data provided through the aggregator program was more accurate location information. No other wireless subscriber information was available to the location aggregators through the location aggregator program.⁶

Under the location aggregator program that Verizon terminated, the corporate customers were required to obtain the Verizon subscriber's consent prior to requesting the location information. Without consent, the aggregator was not permitted to provide the corporate customer the location information for the Verizon subscriber. A record of this consent, the mobile device number, and the date and time stamp of the location request were sent to Verizon's auditor for daily review.

Verizon's corporate customers of our new direct location service receive coarse location information only after Verizon has directly obtained the consent of our wireless subscribers. As detailed above, Verizon obtains wireless subscribers' consent through a text message.

3. Please describe in full your process, if any, for determining that each third party identified in response to question one has obtained appropriate customer

⁵ Verizon has an agreement with Zumigo under which Zumigo may act as an aggregator and access non-location information, such as contact and device information, in certain specific instances. This program does not include location information.

⁶ The location aggregators may receive non-location information, such as contact and device information, from Verizon in other ways and through other programs.

consent before your company shared that customer's information with them. Specifically, please describe what criteria and processes your company uses to review claims and evidence that a third party has obtained consent.

Under the legacy location aggregator program, Verizon required the location aggregators to obtain approval from Verizon before sharing location information with any of their corporate customers. Verizon also followed up by regularly conducting audits through a third party auditor to ensure that a location aggregator's corporate customers were complying with our requirements. As detailed in our prior response, however, this audit process did not reveal that 3CInteractive/Securus Technologies was using this information in ways that differed from their approved use case with LocationSmart. Our review of this experience prompted us to decide – and to follow through – on terminating our location aggregator program and move to a model under which we directly control the consent process.

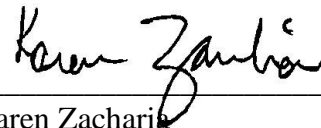
For our new Direct Location Services program, Verizon obtains the consent of our wireless subscribers directly before sharing their location information.

4. Please describe any incidents known to your company, or uncovered during your responses to the above, in which a third party with which your company shared customer data misrepresented that they had customer consent.

Due to the passage of time, Verizon is limiting this response to the last three years. At this time, Verizon is not aware of any incidents in which a third party misrepresented that they had consent aside from the 3CInteractive/Securus Technologies incident detailed in our prior response.

Thank you for your interest in this important matter. We are committed to protecting the privacy and security of our wireless subscribers' location information. We recognize that location information can provide many pro-consumer benefits but we must protect that data from unauthorized access and use. Our subscribers' trust and comfort surrounding the use of location information will remain paramount, and we plan to act accordingly.

Sincerely,



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